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**DeNUCCI SAYS MWRA NEEDS TO IMPROVE
FERTILIZER PLANT CONTRACT MANAGEMENT**

State Auditor Joe DeNucci reported today that the Massachusetts Water Resources Authority (MWRA) should renew efforts to market or donate fertilizer it gets free of charge each year from a waste-to-fertilizer plant in Quincy under its contract with the plant operator.

The plant is one of three major projects established under the 1985 federal court order to clean up Boston Harbor. The facility converts solid waste from the Deer Island Treatment Plant into commercial fertilizer pellets. The plant is operated by New England Fertilizer Company (NEFCO) under a \$146 million, 15-year contract with the MWRA.

One of the contract provisions entitles the MWRA to 900 tons of the fertilizer pellets every year, which the authority can either sell commercially or donate to communities or other state and local entities having a need for the material. DeNucci's audit found that the MWRA's efforts to do this have declined by 75 percent in recent years.

In response to DeNucci's recommendation, the MWRA indicated it will notify all communities that the fertilizer is available for their use and can be picked up free of charge at the plant, located at the Fore River Shipyard in Quincy.

In another finding, DeNucci called on the MWRA to strengthen its monitoring of the plant's operation. DeNucci's audit found that no documented, formal report on the performance of the contractor, New England Fertilizer Company (NEFCO), has ever been issued as required under the contract. DeNucci said better monitoring of the contractor's performance is essential to ensuring the safe, efficient and effective operation of the plant.

"Although there have been no major problems to date with the operation of the plant, the authority should take all required steps to ensure that the contractor meets all of the terms of the contract in order to protect the interests of MWRA ratepayers," said DeNucci.